

and Plaintiff, such that Defendants each now hold a one-third interest in James's undivided half interest in the real estate.

Jurisdiction is pursuant to G.L. 1956 §§ 9-30-1 and 8-2-13. For the reasons set forth herein, judgment shall enter for Plaintiff.

I

Findings of Fact

Having reviewed the evidence presented by both parties, the Court makes the following findings of fact.

On December 10, 2010, James executed a warranty deed conveying title to real property located at 130 Tupelo Trail, Narragansett, Rhode Island (the Property) to himself and his grandson, Adam, as joint tenants with rights of survivorship (the Warranty Deed). Joint Ex. 1. The Warranty Deed was recorded on December 16, 2010 in the Land Evidence Records of the Town of Narragansett. Although Plaintiff was aware from a conversation with Theresa that James intended that Plaintiff inherit the Property, Plaintiff did not see the Warranty Deed prior to September 2012.

In 2012, James sought to have the Property placed in the names of himself, Plaintiff, and his two daughters, Kazounis and Theresa. To that end, James conferred with James Auckerman (Auckerman), a local attorney with whom James had worked in the past. On or about September 11, 2012, Auckerman prepared a quit-claim deed purporting to convey the same Property to James, Plaintiff, Kazounis and Theresa as joint tenants with rights of survivorship (the Quit-Claim Deed). Joint Ex. 2. The Quit-Claim Deed provides in pertinent part:

“We, JAMES EDWARD CAVANAUGH and ADAM CAVANAUGH, both of the Town of Narragansett, County of

Washington, State of Rhode Island, for no consideration paid, grant to JAMES EDWARD CAVANAUGH, ADAM CAVANAUGH and THERESA L. CAVANAUGH, all of the Town of Narragansett, County of Washington, State of Rhode Island, and JOANNE E. KAZOUNIS, of the Town of South Kingstown, County of Washington, State of Rhode Island, as Joint Tenants with Right of Survivorship, all our rights, title and interests in and to the following described property, with QUIT-CLAIM COVENANTS:

....

“Meaning and intending to describe the same premises conveyed by Warranty Deed from James Edward Cavanaugh to James Edward Cavanaugh and Adam Cavanaugh dated December 10, 2010, and recorded in the Land Evidence Records of the Town of Narragansett, Rhode Island on December 16, 2010 in Deed Book 744 at Page 253.

....

“The undersigned hereby certify that this conveyance is not a sale but a gift for estate planning purposes and therefore the consideration is such that no Rhode Island Realty Transfer Tax Stamps are required.

“The undersigned hereby covenant that this transfer is not a sale, but a transfer without consideration for estate planning purposes; therefore, no Rhode Island General Law Section 44-30-71.3 withholding is required.” Joint Ex. 2.

The Quit-Claim Deed contains two signature lines, one for James and one for Plaintiff, and provides two separate notary public acknowledgements, one attesting to James’s execution of the document and the other attesting to Plaintiff’s execution of the document. Joint Ex. 2.

Kazounis brought James to Auckerman’s office on September 11, 2012 for the purpose of signing the deed. James executed the Quit-Claim Deed on that date in the presence of Auckerman, a notary public. Joint Ex. 3. James then asked Auckerman to obtain Plaintiff’s signature thereon and record the Quit-Claim Deed. In accordance with James’s wishes, Auckerman called Plaintiff on September 11, 2012 requesting that he

come to Auckerman's office and sign the Quit-Claim Deed. Auckerman also sent an e-mail to Plaintiff's fiancé, Casey Dodge (Dodge), with whom Plaintiff lived at the time, which contained directions and a copy of the Quit-Claim Deed. Defs.' Ex. A.

Plaintiff met with Auckerman at his law office on September 12, 2012. At that meeting, Auckerman showed Plaintiff the Quit-Claim Deed signed by James.² Plaintiff expressed reservations about signing the Quit-Claim Deed and advised Auckerman that he needed time to think about it and may want to get a second opinion.

On September 19, 2012, James passed away. At that time, Plaintiff had still not signed the Quit-Claim Deed, and it had not been recorded. A few days after James's death, Auckerman and Plaintiff again spoke on the phone. While the content of the conversation is disputed—whether Plaintiff outrightly told Auckerman he would not sign the deed or whether he was still unsure about signing the deed—it is undisputed that Plaintiff never executed the Quit-Claim Deed.

Auckerman and Defendants met on September 24, 2012 to discuss the probate of James's estate. According to Auckerman's trial testimony, Defendants asked Auckerman to record the Quit-Claim Deed. Accordingly, on September 25, 2012, Auckerman recorded the Quit-Claim Deed, signed by James but not by Plaintiff, in the Narragansett Land Evidence Records.

Even after the Quit-Claim Deed was recorded, Auckerman again contacted Plaintiff, this time via letter. The letter dated October 24, 2013 reads in pertinent part, “[a]s you requested, I have enclosed a copy of your grandfather, James E. Cavanaugh's

² Plaintiff testified before the Court that Auckerman showed him an unsigned copy of the Quit-Claim Deed, and not the deed executed in part by James. Cf. Joint Exs. 2, 3. Such dispute is immaterial to the resolution of the issues presented here.

Will. Please let me know if you change your mind about the deed to honor your grandfathers [sic] wishes.” Joint Ex. 7. Plaintiff did not respond. Auckerman thereafter sent additional letters to Plaintiff to which Plaintiff also did not respond. See Joint Exs. 8, 9. Those letters revealed that Defendants were each claiming to have a one-sixth interest in the Property and that the expenses of the Property, including mortgage payments, need to be paid or risk foreclosure.

From the time of James’s death until the present, Plaintiff has paid only one mortgage payment, in or about February 2013, to avoid foreclosure. No other mortgage payments have been made on the Property nor have any payments been made toward real estate taxes, property insurance or utilities. Thus, correspondence from Auckerman, on behalf of Kazounis, to Plaintiff’s then-counsel in January, April and May 2013 addressed the continued risk of foreclosure, as well as Auckerman’s position that Defendants each held a one-sixth interest in the Property, and Plaintiff held the remaining two-thirds interest. See Joint Exs. 10, 11, 12.³ Importantly, Auckerman acknowledges that “Adam’s grandfather’s intent was to convey the property to all three of them, equally.” Joint Ex. 11.

On May 20, 2013, Plaintiff filed a two count Complaint with this Court seeking a declaration that he is the sole owner of the Property by virtue of the December 10, 2010 Warranty Deed and an injunction to stop any foreclosure sale.⁴ Defendants filed a Counterclaim on June 14, 2013 seeking a declaration that, upon James’s death, Plaintiff

³Although there was no testimony offered concerning these particular letters, all joint exhibits were marked in full. See Tr. 4, Dec. 2, 2013.

⁴Bank of America, the banking institution holding the mortgage on the Property, was named as a defendant herein. Count II of Plaintiff’s Complaint sought an injunction against Bank of America from foreclosing on the Property. This Count has not yet been tried before the Court.

owned an undivided one-half interest as a tenant in common and Defendants each owned a one-third interest as joint tenants with Plaintiff in the remaining one-half interest. Defendants also seek a partition by sale of the Property.

The matter came on for hearing before this Court, without the intervention of a jury, on December 2, 2013, with regard to Plaintiff's Count I and Defendants' Counts I and II only. The primary issue which this Court must now address is the effect of the September 11, 2012 Quit-Claim Deed that was executed only by James.

II

Presentation of Witnesses

At trial, Plaintiff presented two witnesses, Plaintiff and Dodge. Kazounis offered minimal testimony in Defendants' case-in-chief. Most pertinent to Defendants' case-in-chief was the testimony of Auckerman.

Plaintiff presented as an independent, hard-nosed young man. He acknowledged having a strained relationship with his mother and aunt, although the genesis of that strained relationship was never revealed. Plaintiff credibly testified that he never discussed the Warranty Deed or James's intent to leave the Property to Plaintiff with James because he found it was morbid to talk about.

Plaintiff's testimony concerning his reaction to Auckerman's request to execute the Quit-Claim Deed differed in some minor respects from his earlier sworn deposition testimony. Additionally, the force with which Plaintiff asserted his reluctance to execute the Quit-Claim Deed seemed to change over time. For instance, when first presented with the Quit-Claim Deed in Auckerman's office on September 12, 2012, Plaintiff testified that he was uncertain as to what to do. According to Plaintiff, he explained to

Auckerman that he did not have a good relationship with his mother and inquired of Auckerman what he, Auckerman, would do under the circumstances. According to Plaintiff, Auckerman responded that he was aware of Plaintiff's strained relationship with his mother and that Auckerman himself has owned property in Connecticut with his brothers. Plaintiff understood Auckerman's response to be a suggestion that he should not sign the Quit-Claim Deed. Auckerman vehemently denied ever owning property in Connecticut or suggesting to Plaintiff that he should not sign the Quit-Claim Deed when he, as counsel, was instructed by his client, James, to procure Plaintiff's signature. In this regard, Auckerman's recitation is more credible than Plaintiff's.

In any event, according to Plaintiff's trial testimony, Plaintiff expressly refused to sign the Quit-Claim Deed when Plaintiff called Auckerman in advance of James's funeral to learn of the funeral arrangements and when asked by Auckerman at James's funeral, stating on both occasions, "hell no." Dodge confirmed that Plaintiff spoke to Auckerman by phone when Plaintiff was upset that he had been left out of the funeral arrangements, and, at the end of that conversation, Plaintiff told Auckerman that he was not going to execute the Quit-Claim Deed. In contrast to these statements purportedly made by Plaintiff to Auckerman, Plaintiff's deposition testimony reveals that he agreed that after September 12, 2012, he had never made a statement that he was not going to execute the Quit-Claim Deed. Auckerman was not questioned at trial about these conversations nor was he questioned about any further efforts he made in obtaining Plaintiff's signature on the Quit-Claim Deed after the meeting at Auckerman's office on September 12, 2012.

While there is reason to discredit some, but not all, of Plaintiff's testimony, what was said and when has little bearing on the ultimate issues before the Court. Plaintiff and

Dodge's credibility do not hold the key to resolving the issues before the Court. On the other hand, this Court finds that its analysis must take into account Auckerman's credibility, as his was the only testimony offered to establish James's intent.

Auckerman, an attorney who concentrates in real estate and estate planning, appeared knowledgeable in these fields. He has been involved in many intra-family conveyances, representing various parties in the same transaction. Auckerman testified that he received a note from James on or about August 16, 2012, in which he expressed a desire to add his daughters, Defendants, to the deed for the Property. See Defs.' Ex. B. Auckerman drafted the Quit-Claim Deed. Thereafter, Auckerman met with James and Kazounis to sign the deed on September 11, 2012. Auckerman further testified that, at that meeting, James gave him instructions to contact Plaintiff to have him sign the deed and then to record it.

Auckerman testified that it was not James's intention to convey 100% of the Property, but rather, that it was James's intent to sever the joint tenancy he shared with Plaintiff and convey his one-half interest to himself, Plaintiff and Defendants. This alleged intent is wholly contradicted by Auckerman's statement to Plaintiff's then-counsel in April 2013: "Adam's grandfather's intent was to convey the property to all three of them, equally." Joint Ex. 11 (emphasis added). Further, when probed on cross-examination as to why he crafted the Quit-Claim Deed in a manner that appears to convey 100% of the Property as opposed to a deed expressly conveying James's one-half interest therein, Auckerman stated that if he "knew then what [he] know[s] now [he] probably would have."

Auckerman did not immediately record the Quit-Claim Deed upon James's execution because of the instructions from James to obtain Plaintiff's signature first and then record it. According to Auckerman, he ultimately recorded the Quit-Claim Deed with just James's signature at the direction of Defendants when he met with them on September 24, 2012 to discuss the probate of James's estate.

The Court concludes that Auckerman's testimony that James intended only to convey his one-half interest is without credibility. The documents, which Auckerman himself crafted, speak for themselves and wholly contradict Auckerman's trial testimony. See Joint Exs. 2, 11.

III

Standard of Review

The Uniform Declaratory Judgments Act vests this Court with "the power to declare rights, status, and other legal relations whether or not further relief is or could be claimed." Sec. 9-30-1. In so doing, the Court strives "to settle and to afford relief from uncertainty and insecurity with respect to rights, status, and other legal relations . . ." Sec. 9-30-12; see also Capital Props., Inc. v. State, 749 A.2d 1069, 1080 (R.I. 1999) (citations omitted).

In a non-jury trial, the standard of review is governed by Rule 52(a) of the Superior Court Rules of Civil Procedure which provides that "[i]n all actions tried upon the facts without a jury . . . the court shall find the facts specially and state separately its conclusions of law thereon." Super. R. Civ. P. 52(a). In a non-jury trial, "the trial justice sits as a trier of fact as well as law." Parella v. Montalbano, 899 A.2d 1226, 1239 (R.I. 2006) (quoting Hood v. Hawkins, 478 A.2d 181, 184 (R.I. 1984)). "Consequently,

he [or she] weighs and considers the evidence, passes upon the credibility of the witnesses, and draws proper inferences.” Id. (quoting Hood, 478 A.2d at 184). It is well established that “assigning credibility to witnesses presented at trial is the function of the trial justice, who has the advantage of seeing and hearing the witnesses testify in court.” McBurney v. Roszkowski, 875 A.2d 428, 436 (R.I. 2005) (citations omitted). The trial justice may also “draw inferences from the testimony of witnesses, and such inferences, if reasonable, are entitled on review to the same weight as other factual determinations.” DeSimone Elec., Inc. v. CMG, Inc., 901 A.2d 613, 621 (R.I. 2006) (quoting Walton v. Baird, 433 A.2d 963, 964 (R.I. 1981)).

Furthermore, “[w]hen rendering a decision in a non-jury trial, a trial justice ‘need not engage in extensive analysis and discussion of all evidence. Even brief findings and conclusions are sufficient if they address and resolve the controlling and essential factual issues in the case.’” Parella, 899 A.2d at 1239 (quoting Donnelly v. Cowsill, 716 A.2d 742, 747 (R.I. 1998) (citation omitted)). The trial justice need not “categorically accept or reject each piece of evidence in his [or her] decision for [the Supreme] Court to uphold it because implicit in the trial justices [sic] decision are sufficient findings of fact to support his [or her] rulings.” Notarantonio v. Notarantonio, 941 A.2d 138, 147 (R.I. 2008) (quoting Narragansett Elec. Co. v. Carbone, 898 A.2d 87, 102 (R.I. 2006)).

IV

Analysis

A joint tenancy may be severed when one joint tenant conveys his interest in the land to another. See, e.g., Williamson v. Williamson, 90 R.I. 233, 238, 157 A.2d 110, 112 (1960). Here, in order to determine whether the joint tenancy between James and

Plaintiff was severed by the September 11, 2012 Quit-Claim Deed, this Court must decide whether said Quit-Claim Deed operated as a valid conveyance.

“In order to convey title to real estate, it is necessary that the deed thereof shall be delivered to the grantee or to some one [sic] for his use.” Johnson v. Johnson, 24 R.I. 571, 571, 54 A. 378, 378 (1903). Whether there is a valid delivery is a question of fact. Lambert v. Lambert, 77 R.I. 463, 468, 77 A.2d 325, 327 (1950) “[T]he ordinary test of delivery is: Did the grantor, by his acts or words, or both, intend to divest himself of the title to the estate described in the deed? If so, the deed is delivered. But if not, there is no delivery; and hence no title passes.” Johnson, 24 R.I. at 571, 54 A. at 378; see also Rowan v. Betagh, 83 R.I. 5, 8, 111 A.2d 841, 843 (1955). While no court in this jurisdiction has specifically addressed the issue presented here—whether a valid delivery of a deed occurred notwithstanding the non-signature of a purported joint grantor—courts in other jurisdictions have.

In Overman v. Kerr, 17 Iowa 485 (1864), the Supreme Court of Iowa held that a deed, intended to be executed by all the joint owners of a piece of property, was not delivered where one of the joint owners failed to execute the deed. Id. at 490. There, the deed was prepared for the purpose of donating certain parcels of land jointly-owned by four persons to a county. Id. at 487. Three of the owners signed the deed and left it with a notary for the purpose of having it executed and acknowledged by the fourth owner who was then absent. Id. The fourth owner, however, never executed the deed. Id. In holding that there was no valid delivery of the deed, the court specifically looked to the language of the deed to garner the intent of the parties. The court observed that the language in the deed purported to convey full title and not an undivided three-fourths

interest. Id. at 490. Accordingly, the court concluded that, because there can be no valid delivery of a deed “when anything remains to be done by the parties by whom the delivery is to be made . . . ,” there was no valid delivery absent execution by the fourth owner. Id.

Similarly, in Shelby v. Tardy, 4 So. 276 (Ala. 1888), the Supreme Court of Alabama held that where a deed purported to be a conveyance by a husband and wife, but was signed only by the husband, there was no valid delivery. Id. at 278. There, the plaintiff, seeking to establish legal title through the subject deed, argued that the husband’s delivery of the deed to his attorney constituted a valid legal delivery such as to vest title in plaintiff. Id. The subject deed, however, was never signed by the wife, despite the fact that the deed purported to be a joint conveyance by both the husband and the wife. Id. Additionally, the deed contained two signature blocks, one for the husband, and one for his wife. Id. Because the face of the deed contemplated execution by both the husband and the wife, the court concluded there was no valid delivery. Id.

In Consolidation Coal Co. v. Yonts, 25 F.2d 404 (6th Cir. 1928), the Sixth Circuit Court of Appeals held that, where a life tenant of premises joined with her husband and two remaindermen in executing a bond to convey certain mineral rights, and a year later a deed was prepared for execution by the four persons but was in fact executed by only the life tenant and her husband, there was no conveyance of the mineral rights. Id. at 408. There, the names of the two remaindermen appeared as grantors in the deed as “being joint owners” with the life tenant and her husband; however, the two remaindermen never executed the document. Id. at 406. The court noted that while the circumstances surrounding the execution of the deed were not clear, it was clear from an inspection of

the deed itself that it was the intention and purpose of the drafter that the remaindermen join in its execution, and furthermore, that the attorney to whom the deed was sent knew the remaindermen had declined to execute it. Id. at 407. Accordingly, the court concluded there was no valid delivery. Id. at 408.

This is not to say, however, that a deed signed by only one of multiple grantors can never operate as a valid delivery as to the one who signed. Indeed, the question is one of intent, which is to be garnered from all the facts. In Logue v. Von Almen, 40 N.E. 2d 73 (Ill. 1941), the Supreme Court of Illinois held that there was valid delivery of a deed purporting to convey mineral rights to the grantee from several grantors, all of whom were tenants in common of the subject land, notwithstanding the fact that one of the tenants in common refused to sign. Id. at 79. There, while reiterating the rule that “where a deed shows on its face that it was intended to be jointly executed so that all grantors should be bound by its covenants, the signing and delivery by a part of such grantors does not make a complete delivery[,]” the court noted that the instant deed did not show that it was intended to be jointly executed. Id. at 77-78. Specifically, the court looked to the language of the deed, noting that it limited the transfer to an undivided one-half interest in the land, and granted the grantee the same rights as any other “tenant in common may exercise in reference to a fractional part of his undivided interest, subject, of course, to the rights of his cotenants.” Id. at 79. The court concluded that this language showed that the signatory parties intended to convey an undivided one-half interest of their respective shares, and therefore, the deed was validly delivered as to those who had signed the deed. Id.

Similarly, in Gonzales v. Gonzales, 73 Cal. Rptr. 83 (Cal. App. 1968), the California Court of Appeals held that a deed purporting to convey property from one joint tenant to a grantee was validly delivered notwithstanding the fact that the other joint tenant did not sign the deed. Id. at 87. There, a father and son were joint tenants of the subject property. Id. at 85. When the father married, he drafted a second deed purporting to create a joint tenancy with himself, his new wife, and his son in the same property. Id. The son, however, refused to sign the deed. Id. at 86. Notwithstanding knowledge of his son's refusal, the father still presented the deed to his wife before his death. Id. at 86-87. The court held that the father's knowledge of his son's refusal and his decision to give the deed to his wife despite such knowledge, showed that the father intended the deed to be effective with respect to his own interest in the property. Id. at 87.

This Court finds that the common law rule espoused above—that a deed which purports to be a joint conveyance on its face cannot be validly delivered unless all joint grantors sign, absent an indication of contrary intent—is consistent with this State's own line of judicial reasoning that delivery is to be determined by the intent of the party making the delivery. See Lambert, 77 R.I. at 468, 77 A.2d at 327; Johnson, 24 R.I at 571, 54 A. at 378. Here, the plain language of the Quit-Claim Deed shows that it was intended as a joint conveyance by both James and Plaintiff. See Joint Ex. 2. The Quit-Claim Deed contains a signature block for both James and Plaintiff, and notary public acknowledgements for each signatory. Id. There is no language which in any way limits the conveyance to conveying only James's one-half interest therein. See id. Even Auckerman acknowledged that conveying one-half interest in the Property should have been effectuated differently than in the manner he himself crafted vis-à-vis the Quit-

Claim Deed. Additionally, James’s express instructions to Auckerman to obtain Plaintiff’s signature and then record the deed and Auckerman’s statement that it was James’s “intent to convey the property to all three of them, equally,” Joint Ex. 11, further buttress James’s intent to convey 100% of the Property. Had James intended to only convey his one-half interest in the Property, the Property would not be held by “all three of them, equally.” See id.

The only evidence that supports Defendants’ claim that James intended to sever the joint tenancy with Plaintiff and to convey only his undivided one-half interest in the Property is the testimony of Auckerman—testimony this Court does not find credible in light of the documents Auckerman himself drafted. See Joint Exs. 2, 11. Auckerman is a competent attorney who specializes in real estate transactions and testified to conducting numerous intra-family transactions during his career. The fact that it would not have occurred to him to draft a deed that would convey only James’s undivided one-half interest, if that was indeed James’s intention, is rather hard to believe and supports the inference that such a conveyance was not, in fact, James’s intent.

Moreover, the fact that the Quit-Claim Deed was intended to be a joint conveyance by James and Plaintiff is only strengthened by Auckerman’s own testimony that he did not record the deed prior to James’s death because he was asked to obtain Plaintiff’s signature first and then to record it. Auckerman’s continued attempts to have Plaintiff sign the Quit-Claim Deed, even after his grandfather’s death, only further bolster this inference. See Joint Ex. 7. Unlike the situation in Gonzales, where the grantor knew his son would not sign off on the deed, here, there is no such evidence that James would have wished to convey the Property without Plaintiff’s consent. To accept Defendants’

argument would require this Court to involve itself in an exercise of pure conjecture, something it cannot do.

The Quit-Claim Deed here is clear on its face. It contemplated a joint conveyance to be executed by James and Plaintiff, conveying all their interest in the Property. Joint Ex. 2. The conveyance was for estate planning purposes. Id. In the manner in which it was drafted by Auckerman, the fully executed and recorded Quit-Claim Deed would have accomplished James's intent that all the grantees would share equally in the Property. See Joint Ex. 11. However, it was never executed by one of the grantors, Plaintiff. Absent Plaintiff's signature on the Quit-Claim Deed, it has no validity. Accordingly, this Court holds that there was no valid delivery of the Quit-Claim Deed dated September 11, 2012, it did not sever the joint tenancy created by the December 10, 2010 Warranty Deed, and it conveyed no interest in the Property to Defendants.

V

Conclusion

For all these reasons, judgment shall enter for Plaintiff on Count I of Plaintiff's Complaint and for Plaintiff on Count I of Defendants' Counterclaim. Plaintiff is the sole owner of the Property in fee simple by virtue of the December 10, 2010 Warranty Deed, and the Quit-Claim Deed dated September 11, 2012 is of no legal effect. Accordingly, judgment shall also enter for Plaintiff on Count II of Defendants' Counterclaim seeking to partition the Property.

Counsel for Plaintiff shall prepare a judgment consistent with this Decision.



RHODE ISLAND SUPERIOR COURT
Decision Addendum Sheet

TITLE OF CASE: Adam Cavanaugh v. Joanne E. Kazounis, et al.

CASE NO: WC-2013-0274

COURT: Washington County Superior Court

DATE DECISION FILED: February 7, 2014

JUSTICE/MAGISTRATE: Kristin E. Rodgers

ATTORNEYS:

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